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ABSTRACT

This handbook contains teaching ideas for personal and family financial planning courses in senior high schools. Each concept includes the type of activity, an overview of the activity in the form of a generalization, student performance indicators, a plan for implementation, evaluation criteria and materials needed to conduct the activity. Many of the activities also include teacher references. Following is a list of the concepts with examples of activity areas: Money management (life insurance case problem, personal property inventory); purchase of goods and services (cost comparison, consumer awareness); consumer economics (increasing economic vocabulary, supply and demand and price index record); and credit (shopping for credit, applying for a short term loan). (CT)

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TIMELY TEACHING TIPS

FINANCIAL PLANNING

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INTRODUCTION

The realities of the consequences when young people complete their high school training unable to cope with financial responsibility, with little knowledge of the American economic system, has generated concern and support for financial education at the secondary level. State legislators and local boards of education across the nation are advocating the inclusion of Personal and Family Financial Planning courses in the curriculum.

These courses are designed to impart the knowledge and skills needed to function in our economic system. A basic mastering of the processes of money management and financial planning will contribute to stability and personal fulfillment.

Timely Teaching Tips is a handbook of teaching ideas for presenting these courses. It is intended to provide stimulating and exciting experiences for teachers to use which can enhance the financial education process. They will also encourage students to learn how to make wise decisions in financial concerns and to plan and implement the results of their decisions. Through providing students experience in "real life" situations, the activities help the student's learning to become a part of one's thinking and action.

Each idea was designed and classroom-tested by teachers from a variety of subject area backgrounds. The goals which provided direction for development of these materials were statements from the American Council of Life Insurance. These goals for personal and family financial educational material state that activities shall be provided which enable students to:

1. Analyze personal and family goals and priorities as they relate to financial planning.
2. Assess a variety of financial resources pertinent to personal and family goals throughout the life span.
3. Design a comprehensive personal or family financial plan refelecting defined goals, priorities, and resources.

4. Use the financial plan as a means of expressing values, attaining goals, and fulfilling established priorities.
5. Apply principles of effective buying, borrowing, investing savings, sharing and protecting in both immediate and long term decisions.
6. Evaluate and change personal or family financial plans to meet changing social, economic and life span conditions.
7. Function effectively in the producer role to provide an income base on which the personal or family financial plan is structured.

The activities presented in this handbook vary widely in scope and content. The range of topics and ideas listed reflects the vast array of concepts within financial planning and the methods that can be used to teach them. The handbook is not intended to be all-inclusive. The format is such that it can be expanded to include additional ideas that reflect the even broader scope of financial planning.

Each idea includes the type of activity, an overview of the activity in the form of a generalization, student performance indicators, a plan for implementation, evaluation criteria and materials needed to conduct the activity. In many of the activities the teacher reference is omitted. It is suggested that the teacher insert the reference (s) of choice.

It is hoped that, as teachers use the handbook, ideas and activities will be developed to expand on the basic collection.

CONCEPT: MISCELLANEOUS

NAME OF ACTIVITY: ICE BREAKER - INTRODUCTION TO COURSE

OVERVIEW OF ACTIVITY: (generalization)

Students need to get to know each other, the teacher needs an opportunity to become acquainted with the students and to introduce the subject matter of the course.

TYPE OF ACTIVITY: INTERVIEWING

Grade Level (s): 8-12

Length of Time: 50-55 minutes (depending on class size)

MATERIALS:

For Students:

Dittoed sheet, "Interview Questionnaire"

For Teachers:

Reference (s):

Chart or graph illustrating nationwide consumer spending.

STUDENT PERFORMANCE INDICATOR (s):

The Students will:

1. Become acquainted with each other using the interview process.
2. Analyze how individuals spend money by comparing data.

PLAN FOR IMPLEMENTATION:

1. Divide class into pairs (team with persons they do not know).
2. Students interview each other using the "Interview Questionnaire." Students are instructed to plan an introduction of the person they interviewed and to use notes on information given during the introductions.
3. When interviews are completed, instructor introduces oneself by answering the questionnaire as it applies and also gives data from other adults one knows.
4. Students introduce each other using data gathered.
5. Students write conclusions -
   5.1. how young people spend money
   5.2. how young people's spending compares with adult spending.
6. Students examine national data on spending; compare with data gathered from class.

EVALUATION:

Student discussion using data as a basis.

(Source: Kristine Vernstrom Iverson, Franklin High School and Portland Evening School, Portland, OR)

INTERVIEW QUESTIONNAIRE

1. Name: (of person to be introduced)

2. How would you spend $10.00 if given to you?

   Class data:

3. How would you spend $100.00 if given to you?

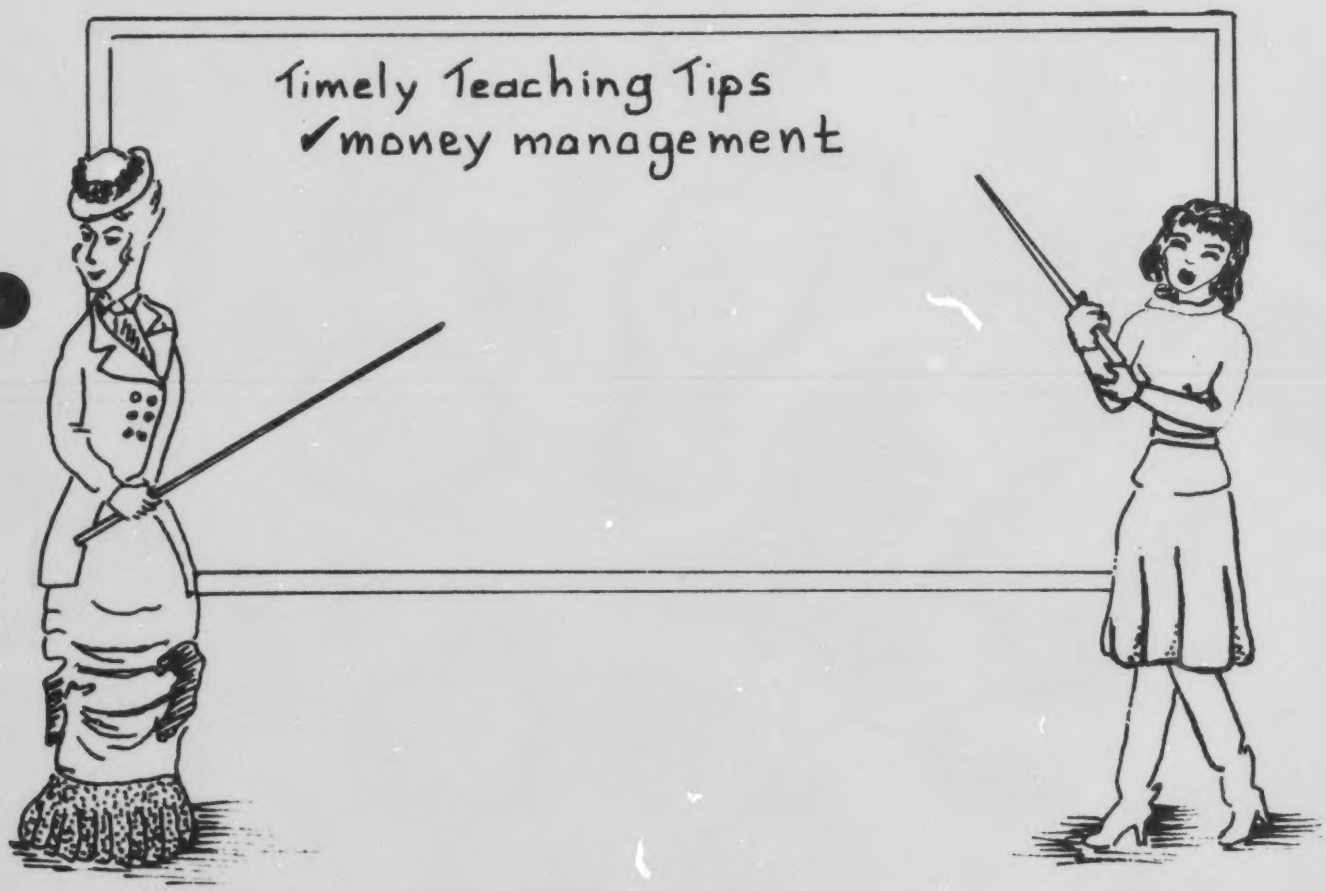
   Class data:

4. How would you spend $1,000.00 if given to you?

   Class data:

5. How do you earn money now?

   Class data:


Timely Teaching Tips
✔money management

CONCEPT: MONEY MANAGEMENT

NAME OF ACTIVITY: BUDGETING - EXPLORATION OF LIVING COSTS

OVERVIEW OF ACTIVITY: (generalization)

One must become aware of the costs of living in order to determine or create a budget.

TYPE OF ACTIVITY: NEWSPAPER

Grade Level (s): 10-12 Length of Time: 4 days

MATERIALS:

For Students:

Classified ads from newspapers

Food ads from newspapers

Dittoed sheets, "One Month Budget Worksheet", "Flexible Expenses", "Budget", and "Monthly Budget"

For Teachers:

Reference (s):

STUDENTS PERFORMANCE INDCIATOR (s):

The student will:

1. Determine given deductions from income.
2. Determine living expenses for one month.
3. Construct a budget.

PLAN FOR IMPLEMENTATION:

BUDGET INSTRUCTION:

First Day: "One Month Budget Worksheet"

1. Give each student a job as if they had just graduated from high school. (Contact local businesses and use realistic jobs. Example: Clerk Typist @ $3.50 per hour.)
2. Put the jobs on slips of paper in boxes and have each student select one.
3. Students fill out the sheet, "One Month Budget Worksheet" to determine net income.

Second Day: "Flexible Expenses"

1. Use newpaper ads to find prices on food list.
2. Discuss the other flexible expenses with students (Students need help with these figures, but must understand that each individual will be different).

Third Day: "Budget"

1. Students pair up and use local newspaper ads to pick an apartment. (They can choose to be living alone or with a roommate as two columns are provided on expense sheets to allow for roommate figures.)
2. Have students estimate the other fixed expenses.
3. Have students dtermine their own savings.
4. Students work on balancing the budget.

Fourth Day: "Monthly Budget"

1. Students finish balancing the budget.
2. Transfer figures to the "Monthly Budget" sheet.

EVALUATION:

Students will complete budget form (income and expenses must be equal).

(Source: Judith Story and Cathie Bunnell, Mazama Mid-High, Klamath Falls, OR)

ONE-MONTH BUDGET WORKSHEET

Single_____

Roommate_____

POSITION:_____

HOURLY WAGE:_____

ESTIMATE GROSS INCOME:

Hourly wage x 40 = _____ x 4 = _____(Gross Income)

CALCULATE NET INCOME

Income taxes = 15% (Gross income x .15) _____

Social Security = 6% (Gross income x .06)_____

Total taxes withheld: _____

Gross income subtract income and social security taxes = Net Income

Find your net income:

GROSS INCOME _____

MINUS TAXES _____

NET INCOME _____

FLEXIBLE EXPENSES

The following is a shopping list of food two people would need to prepare 3 meals a day for one week. *If you are single, divide your total by 2.

ITEM	PRICE	ITEM	PRICE
1 package spaghetti	_____	1 head lettuce	_____
2 cubed steaks	_____	1 instant dinner (hamburger helper, etc.)	_____
2 cans spaghetti sauce	_____		
2 lbs potatoes	_____	1 can green beans	_____
1 dozen eggs	_____	1 can corn	_____
1 gallon milk	_____	1 package cookies	_____
1 loaf bread	_____	1 box potato chips	_____
1 lb. butter	_____	2 packages of rolls	_____
1 can orange juice	_____	3 large bottles coke	_____
1 jar of jam	_____	3 lbs pork chops	_____
1 chicken	_____	2 packages sanwich meat	_____
3 lbs hamburger	_____	1 package cheese	_____
2 lbs round steak	_____	Extras: (flour, sugar, seasonings, etc.)	_____

TOTAL COST OF FOOD FOR ONE WEEK: _____

Multiply by 4: _____

TOTAL FOOD EXPENSE FOR ONE MONTH (divide by 2 if single): _____

FLEXIBLE EXPENSES:

Food (bring total down from above) _____

Eating out _____

Clothing _____

Personal Care (shampoo, etc.) _____

Medical Care _____

Transportation (gas, oil, etc.) _____

Recreation _____

Gifts (Christmas, birthdays, etc.) _____

Misc. (pets, hobbies, etc.) _____

TOTAL FLEXIBLE EXPENSES _____

Add total fixed expense from budget page + _____

TOTAL EXPENSES _____

(Your net income figure and your total expenses must match! Re-evaluate your budget items until they do match).

BUDGET

FIXED EXPENSES:	estimated amount for single	Divide by 2 if living with roommate
RENT - Find a rental (an apartment listed in the newspapers provided.) Select one appropriate for your budget.	_____	_____
Write a description of the ad below:		
_____		
_____		
_____		
_____		
_____		
INSURANCE - Select the following insurances according to your needs:		
Car 19?? -78 models $30	_____	_____
Life $5,000 premium $12 $10,000 premium $20	_____	_____
CAR PAYMENT -(optional)	_____	_____
TELEPHONE - $8 flat rate + long distance	_____	_____
UTILITIES - (Electric, gas, water, garbage)	_____	_____
FURNISHINGS -	_____	_____
FUND FOR SHORT TERM GOAL	_____	_____
EMERGENCY FUND	_____	_____
SAVINGS	_____	_____
TOTAL FIXED EXPENSES FOR ONE MONTH	_____	_____

MONTHLY BUDGET

GROSS INCOME _____

Minus taxes _____

Net Income _____

ESTIMATED EXPENSES

Fixed Expenses:

Rent _____

Car Insurance _____

Life Insurance _____

Car Payment _____

Telephone _____

Utilities _____

Furnishings _____

Fund for short term goal _____

Emergency Fund _____

Savings _____

Total Fixes Expenses _____

Flexible Expenses:

Food _____

Eating out _____

Clothing _____

Personal Care _____

Medical Care _____

Transportation _____

Recreation _____

Gifts _____

Misc. (pets, hobbies, etc.) _____

Total Flexible Expenses: _____

TOTAL EXPENSES: _____

CONCEPT: MONEY MANAGEMENT

NAME OF ACTIVITY: FAMILY DECISION MAKING (USE OF DISCRETIONARY INCOME)

OVERVIEW OF ACTIVITY: (generalization)

Decisions must be made within the family concerning the use of discretionary income or an unexpected money inheritance. Evaluation of family goals and values and their influences on decision making enables students to decide on uses of the money.

TYPE OF ACTIVITY: SITUATION SIMULATION

Grade Level (s): 10-12 Length of Time: 30 minutes

MATERIALS:

For Students:

Dittoed sheet, "Decision Making"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATORS (s):

The students will:

1. Determine the use of money received through inheritance based upon the values and goals of a family.
2. Identify values considered through the analysis of purchases.

PLAN FOR IMPLEMENTATION:

1. Divide students into groups of two - three persons.
2. Explain they are a family and have inherited $1,000.
   Use the sheet, "Decision Making" to:
   2.1. Determine the values and goals of the family.
   2.2. Decide how the money will be used based on goals and values.
3. Have each group present their decisions to the class.
4. Discuss how values and goals influenced decisions.

EVALUATIONS:

Students will list values and goals and discuss their influence on use of the money.

(Source: Alice M. Anderson, College of Southern Idaho, Twin Falls, ID)

DECISION MAKING

GENERALIZATION:

Decision making concerning the use of discretionary income is a family decision requiring the establishment and identification of values and goals.

SITUATION:

Your Aunt Sally died and following the probate of the will you were informed she left you $1,000.00. You are to decide how your family will use the money. List your ideas.

CONCEPT: MONEY MANAGEMENT: INSURANCE

NAME OF ACTIVITY: LIFE INSURANCE CASE PROBLEM

OVERVIEW OF ACTIVITY: (generalization)

All factors, e.g., income, benefits, savings needs, expenditures, etc., should be considered when selecting life insurance.

TYPE OF ACTIVITY: CASE STUDY

Grade Level (s): 11-12 Length of Time: 2 days

MATERIALS:

For Students:

Dittoed sheets, "Life Insurance Case Problem," and "Case Problem Analysis Sheet"

For Teachers:

Reference (s):

Personal Money Management, Ballard, T.E., D. Biehl and R. Kaiser, Science Research Associates, Inc., 1977.

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Become aware of factors to consider when initially selecting life insurance using a case study method to determine needs for a given family.
2. Calculate life insurance needs for a given family using "Case Problem Analysis Sheet".

PLAN FOR IMPLEMENTATION:

1. Review with students:
   1.1. The various kinds of life insurance available.
   1.2. Death benefits from social security.
   1.3. Criteria to consider when selecting an insurance company.
2. Students read "Life Insurance Case Problem" and determine the amount of life insurance needed by using the "Case Problem Analysis" form.
3. Students will identify what factors each of them should consider before purchasing life insurance.

EVALUATION:

Accuracy of data compiled using "Case Problem Analysis" form.

Student discussion on how insurance needs vary with:

1. Life-style
2. Life cycle

(Source: Dr. Anne C. Keast, Administrative School District No. 1, Bend, OR)

LIFE INSURANCE CASE PROBLEM

Ann and Arnie Average: Insuring Ann's Life

Ann and Arnie are 24 years old and have a son, Junior, who is two years old. Ann is a teacher in the public school and earns $12,000 a year, or a monthly salary of $1000. Arnie is a law student with one more year to complete his schooling.

When Arnie Average went back to school to get his law degree, he and his wife Ann thought very little about their insurance coverage. However after studying the laws related to insurance, he decided that Ann should have better coverage since she is the wage earner in the family.

The Average's have a car loan of $3,500 which is their only installment expense. They have a mortgage of $35,000 with $27,000 outstanding. They currently have a decreasing mortgage term insurance, a pure insurance with no savings.

They are covered by medical insurance and Ann currently has group life (term) insurance for $10,000.

Arnie figured that if Ann dies, his income from social security would be an initial $255 lump sum and $400 a monthly income. He also has $1,000 in savings. He anticipates that his total cost of schooling to finish in one year will be $1,500. He figures that he would need at least $1,500 for funeral expenses.

Based on this information, how much life insurance is needed to cover Ann if she should die in order to meet Arnie's and Junior's needs through their lives? Use the attached form to help solve the case problem.

CASE PROBLEM ANALYSIS

1. Clean-up

Net Quick Income _____

Expenses:
Funeral Expenses _____
Debt Resolution _____

Net Expenses: _____

TOTAL INCOME NEEDS _____
(Income minus expenses)

2. Emergency Fund

Net Current Savings: _____

Needed Income:
Present monthly income _____
x 3 months= _____

TOTAL INCOME NEEDS _____

3. Family Income Period _____months

Current monthly income=_____
(only 75% of this amount is
needed since one member of
the family died.)

Needed monthly income is 75% X current
monthly income
75% X _____= _____

Monthly Income:

Social Security _____
Other _____

Net Monthly Income _____

Adjusted Needed Monthly Income _____
(Monthly income minus needed income)

TOTAL ADJUSTED INCOME NEEDS FOR PERIOD
(Needed monthly income_____times
family income period_____= _____

4. Middle Years

Anticipated Needs _____

Anticipated Expenses _____

TOTAL INCOME NEEDS _____

5. Retirement Years

Anticipated Needs _____

Anticipated Expenses _____

TOTAL INCOME NEEDS _____

6. College Fund

6.1 Current College Fund

Anticipated Income _____

Anticipated Expenses _____

TOTAL INCOME NEEDS _____

6.2 Future College Fund

Anticipated Income _____

Anticipated Expenses _____

TOTAL INCOME NEEDS _____

TOTAL NET INCOME NEED _____

7. Current Life Insurance Income _____

TOTAL LIFE INSURANCE NEEDS
(Total Net Income needs minus
current Life Insurance Income) _____

CASE PROBLEM ANALYSIS
(answer sheet)

1. CLEAN_UP

Net Quick Income $ 255 (lump sum from social security)

Expenses: (clean-up costs)

Funeral Expenses $ 1,500 (amount needed to pay funeral costs)

Debt Resolution 3,500 (car loan; only installment)

Net Expenses 5,000 (total clean-up costs)

TOTAL INCOME NEEDS
(Income minus expenses) $4,745 (actual need for clean-up)

2. EMERGENCY FUND

Net Current Savings 1,000 (have in a savings account)

Needed Income:

Present monthly income 1,000 (Ann's Salary)

x 3 month = 3,000 (needed as a buffer until Arnie can establish a workable budget)

TOTAL INCOME NEEDS
(Needed Income minus current savings) 2,000

3. FAMILY INCOME PERIOD 18 months (12 months of school plus 6 months to get established in law practice)

Current monthly income = 1,000
(only 75% of this amount is needed since one member of the family died.) (recommended figure; breadwinner consumes 25% thus if breadwinner dies 75% is all that's needed)

Needed monthly income is 75% X current monthly income

75% X $1,000 = $750.00 (Arnie needs each month for living)

Monthly Income:

Social Security 450 (Jr. gets from Social Security)

Other _____

Net Monthly Income 450

Adjusted Needed Monthly Income 300 (= 750 minus 450)
(Needed monthly income minus net monthly income)

TOTAL ADJUSTED INCOME NEEDS FOR PERIOD
(Needed monthly income $300 times
family income period 18 months = 5,400

4. Middle Years (Arnie will not get social security because junior is over 18. Jr. will continue until age 22 if a student.)

Anticipated Needs _____

(No need for insurance because Arnie will be an attorney and have income.)

Anticipated Expenses _____

TOTAL INCOME NEEDS _____

5. Retirement Years (No need because of employment as an attorney.)

Anticipated Needs _____ (Survivor benefits can again be received at age 60 if desired.)

Anticipated Expenses _____ (His own record at age 62 or 65 will probably provide greater returns)

TOTAL INCOME NEEDS _____

(Can elect to receive Benefits that return highest yields.)

6. College Fund

6.1 Current College Fund

Anticipated Income _____

Anticipated Expenses (For Arnie) $1,500 (Tuition for Arnie to finish one year of school includes books)

TOTAL INCOME NEEDS _____

6.2 Future College Fund (For Junior)

Anticipated Income $35,880

$230 per mo X 12 mo = $2760.00 yr. (lowest possible income Junior can receive from Social Security)

Total Anticipated Income
yr. amt. X no. years
$2760 X 13 yrs. = $35,880
+ compounded interest

Anticipated Expenses _____

TOTAL INCOME NEEDS $13,645

TOTAL NET INCOME NEED $13,645

7. Current Life Insurance Income (Ann has group life term policy) $10,000

TOTAL LIFE INSURANCE NEEDS $3,645
(Total Net Income needs minus current Life Insurance Income)

(Script notes are teacher information)

CONCEPT: MONEY MANAGEMENT: INSURANCE

NAME OF ACTIVITY: PERSONAL PROPERTY INVENTORY

OVERVIEW OF ACTIVITY: (generalization)

A "Personal Property Inventory" is an important financial record. It can be used to determine net worth, used in completing credit applications, buying insurance, and determining the loss due to fire, theft, etc. Preparing an inventory for themselves, consumers will realize the importance of a written record rather than "guesstimation".

TYPE OF ACTIVITY: ACTIVITY SHEET (at home questionnaire)

Grade Level (s): 10 Length of Time: 30 minutes

MATERIALS:

For Students:

Dittoed sheets, "Personal Property Inventory"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Become aware of the need for a personal property inventory as an important financial record.
2. Estimate the value of their property; then prepare a "Personal Property Inventory" for themselves.

PLAN FOR IMPLEMENTATION:

1. Pass out "Personal Property Inventory" and have students estimate the value of their belongings. Make sure each student has something on the paper.
2. Have the students complete the "Personal Property Inventory" and hand the paper in.
3. Determine the average value of personal property of students. Point out the importance of providing protection for their belongings.

NOTE: (The activity can be used while covering Property Insurance but it could be used with financial records, credit, etc.)

EVALUATION:

Survey students as to how many were close to their original estimate.
Activity sheets are graded only for completeness and mathematical computation.

(Source: Rita Rattray, LaGrande High School, LaGrande, OR)

PERSONAL PROPERTY INVENTORY

1. What do you think it would cost to replace your personal belongings, a very rough estimate? $_____

2. By using the form below, you will be able to get a more accurate estimate and come to realize the amount of risk you in particular and your family, face in financial losses.

YOUR BEDROOM ARTICLES	NO.	COST NEW	TOTAL
Window coverings			
Bed			
Dressers			
Desk			
Chairs			
Lamps			
Mirrors			
Bedding			
Posters			
Decorations			
Jewelry			
Radio			
Clocks			
Hairdryer, Curling Iron			
TV			
Stereo			
Bookshelves			
Musical Instruments			
Cosmetics			
Suits			
Dresses			
Evening Clothes			
Coats			
Jackets			
Sweaters			
Pants			
Levis			
Skirts			
Beachwear			
Hats			
Shoes			
Boots			
Billfolds/Purses			
Scarves/belts			
Hosiery/Socks			
Undergarments			
Sleepware			
Robes			
Luggage			
Books			

ARTICLES	NO	COST NEW	TOTAL
Papers, Pens			
Souvenirs			
Sporting Equip			
Sewing Mach			
Hobbies			
Collections			
Shirts			
Records			
Tapes			
Cash			
Camera			
Plants			
TOTAL			
ITEMS OUTSIDE BEDROOM			
Bicylcles			
Motorcycles			
Car			
Animals			
Ski Equip			
TOTAL			

Total Personal Belongings _____

(Adapted from Insurance, The NOW Corporation, P. 14, 1976)

CONCEPT: MONEY MANAGEMENT: INVESTMENTS

NAME OF ACTIVITY: READING A STOCK MARKET REPORT

OVERVIEW OF ACTIVITY: (generalization)

Accurately reading and interpreting a stock market report enables one to identify variations occuring with stocks.

TYPE OF ACTIVITY: NEWSPAPER

Grade Level (s): 10 Length of Time: 20 minutes

MATERIALS:

For Students:

Dittoed sheets, "Reading a Stock Market Report" and "Stock Market Activity"

Newspapers - stock reports

For Teachers:

Reference (s):

You and the Investment World, New York Stock Exchange, 1976.

STUDENT PERFORAMANCE INDICATOR (s):

The student will:

1. Interpret the information given in a stock market report.
2. Accurately complete the activity sheets, "Reading a Stock Market Report" and "Stock Market Activity".

PLAN FOR IMPLEMENTATION:

1. Distribute copies of sheet, "Reading a Stock Market Report".
2. Have students read page 24 in "You and Your Investment World".
3. Complete the activity sheet, "Stock Market Activity".
4. Discuss the student's findings on the activity sheet.

EVALUATION:

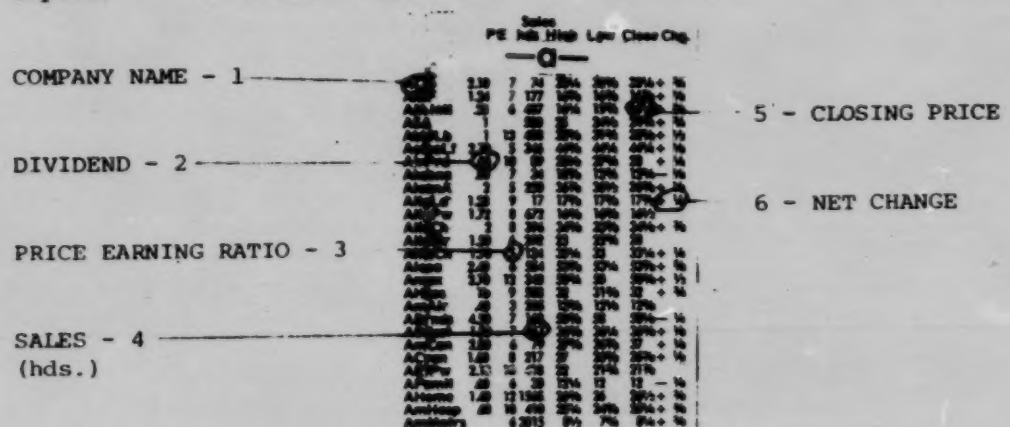
Students are evaluated on the accuracy of completed activity sheet, "Stock Market Activity".

(Source: Rita Rattray, LaGrande High School, LaGrande, OR)

READING A STOCK MARKET REPORT

Explanations

1. COMPANY NAME: The abbreviated name of the company issuing the stock is given. It is common stock unless "pf" follows the name indicating preferred stock.
2. RATE OF ANNUAL DIVIDEND: Numbers following names show the estimated dividend based on the last quarterly or semi-annual payments. Letters following the dividend indicate other information about the dividend. For instance, "b" indicates that a stock dividend was paid; other symbols used are explained in a table appearing in the newspaper.
3. PRICE-EARNING RATIO: This is the current market price of a share of stock divided by earnings per share for the year. The normal range is from 10 to 20.
4. SALES: This shows the number of shares reported traded for the day--expressed in hundreds. This number does not include stocks bought and sold in odd-lot quantitites, that is, quantities less than 100 shares for most stocks. The "z" means the actual number of shares traded.
5. CLOSE: The closing or last price per share in dollars at the time the report was written.
6. NET CHANGE: "+" indicates an increase in price from the previous report; "-" indicates a decrease.



(Adapted from "You and Your Investment World", New York Stock Exchange, Inc., 1976)

STOCK MARKET ACTIVITY

ATTACH
HERE

Using a portion of a stock report from a newspaper, answer the following questions. Underline each security selected on the newspaper clipping to match your answers. Attach the clipping to this paper.

1. List three abbreviated company names from the clipping.

2. Give the rate of dividend for the first stock you listed above.

3. Give the price-earnings ratio for the first stock you listed.

4. Give the total sales for the day for the first stock listed. (Remember - it is given in hundreds)

5. List the closing prices for the three companies selected in question one.

6. Give the net change for the first stock listed.

CONCEPT: MONEY MANAGEMENT

NAME OF ACTIVITY: VALUE AUCTION

OVERVIEW OF ACTIVITY: (generalization)

Students often experience difficulty in identifying their personal values. To clarify decision making practices related to money management, one needs to recognize the hierarchy of values and priorities by which one lives. Students need to recognize the goals they hold to themselves.

TYPE OF ACTIVITY: VALUE CLARIFICATION EXERCISE

Grade Level (s): 10-12 Length of Time: 30 minutes - 1 hour

MATERIALS:

For Students:

Dittoed sheet, "Value Auction"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Identify their personal values.
2. Recognize the importance placed on each value.
3. Examine the effect their value structure has upon decision making, spending of resources, and lifestyle.

PLAN FOR IMPLEMENTATION:

1. Introduce the concepts of values and goals. (Set the stage).
2. Discuss the auction:
   - 2.1. The U.S. is a materialistic society and we all think in monetary terms, thus, we are going to auction off intangible values to see who will commit the highest dollar figure to possess the value up for bid.
   - 2.2. Select autioneer (student - great outlet for aggressive class member).
   - 2.3. State a dollar figure each student has available to him at beginning of the auction (e.g. $100). Have each student allocate this money to any specific values they want to purchase. (Use handout with list of values.)
3. Open the auction:
   - 3.1. Must bid by $5 amounts.
   - 3.2. Can only spend total of dollars as established in 2.3.
   - 3.3. Can spend dollars in any fashion desired.
4. After completing "Value Auction" let students suggest additional values on which they would like to bid.

EVALUATION:

Participation in student discussion regarding reactions to the auction. Consider these points:

1. Difference in the amount of dollars prior to auction for specific values and amount spent in the end to possess them.
2. Values they now own and values they lost in bidding process.
3. Commitment in the money they were willing to spend on values.
4. Effect their value structure has on decision making, spending of resources, and lifestyle, etc.

(Source: Cheryl Ann Robbins, Moscow High School, Moscow, ID)

VALUE AUCTION

NAME_____ AMOUNT OF $ ALLOWED_____

Explanations: (pertinent to specific group)

LIST OF VALUES	AMOUNT I WANT TO SPEND	FINAL AMOUNT BID WHO BUYS VALUE

Conclusions:

CONCEPT: MONEY MANAGEMENT

NAME OF ACTIVITY: VALUE CLARIFICATION

OVERVIEW OF ACTIVITY: (generalization)

Students often do not know why or how to make wise choices regarding purchases. By determining how to spend a given amount of money, conclusions can be drawn between values and their effect on purchasing decision.

TYPE OF ACTIVITY: SITUATION SIMULATION

Grade Level (s): 10-12 Length of Time: 1 hour

MATERIALS:

For Students:

Envelopes and dittoed letter, "Winnie Wrinkle Face Creem Company" for each student

Play money ($100) for each student

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Compile a list of items they would purchase with a given amount of money.
2. Discuss to determine how their choices were made in relationship to their values.

PLAN FOR IMPLEMENTATION:

1. Pass out letter, "Winnie Wrinkle Face Creem Company" to each student.
2. Ask students to do assignment without any discussion. Complete in 10 minutes.
3. Ask students to number their purchases in order of importance.
4. Discuss the items listed and why some items were not listed.

EVALUATION:

Students will draw conclusions from their expenditures in relation to their values.

(Source: Sharon Hoogland, Kendrick High School, Kendrick, ID)

Winnie-Wrinkle Face Creem Company
Someplace, USA, 33333

Date, 19--

Mr. John Doe
17 Money Street
Anywhere, USA 22222

Dear John Doe:

Congratulations! The "Winnie-Wrinkle Face Creem Company" has selected your entry, "Erase-a-Bag", as the winning entry in the Name the Product Contest.

Your prize will be in the form of the enclosed $100.00. However, there are a few strings that are attached. For us to keep our records complete, it will be necessary for you to give us an accurate accounting of how the money will be spent. Will you please use the back of this page and indicate how you have decided to spend your winnings?

Thank you for your contribution and cooperation.

Sincerely,

Winnie Wrinkle
President

(NOTE: Enclose $100 in play money)

Timely Teaching Tips:
✓money management
✓goods and services

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: ADVERTISING INFLUENCES

OVERVIEW OF ACTIVITY: (generalization)

The medium of television has influenced the consumer's purchasing habits.

TYPE OF ACTIVITY: QUESTIONNAIRE

Grade Level (s): 11-12 Length of Time: 30 minutes

MATERIALS:

For Students:

Dittoed sheet, "Advertising Influences"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Recognize the influence of TV advertising
2. Conclude how this medium affects purchasing of goods and services.

PLAN FOR IMPLEMENTATION:

1. Develop and/or provide students with a list of familiar TV Commercials.
2. Have students identify name brands of commercials listed on "Advertising Influences".
3. Students tally correct answers and identify their televisions advertising quotient.
4. Discuss television's influence on consumers.

EVALUATION:

Student discussion regarding the effect television advertising has on student purchases and population in general.

(Source: Sandy Coe, Jefferson High School, Portland, OR)

ADVERTISING INFLUENCES

How much does television influence your life? Does it influence the amount of money you spend buying "name brand" products? Do you think you would have more money to spend on other things if there were no TV advertising? For the answers to these questions, check to see how many correct answers you have in the following test.

Directions: Read the familiar sayings of TV commercials and write the brand name in the space provided. Tally the TV quotient for correct answer.

1. "Take the aspirin doctors recommend for faster pain relief" _____ _____
2. "The car made with the better ideas" _____
3. "Strong enough for a man, but made for a woman" _____
4. "The most expensive TV and darn well worth it" _____
5. "How do you handle a hungry man?" _____
6. "The spaceman and earth family drink" _____
7. "43% fewer cavities" _____
8. "The breakfast of champions." _____
9. "You deserve a break today." _____
10. "Ring around the collar" _____ _____
11. "It's mountain grown" _____
12. "I hate it, but I use it twice a day." _____
13. "Give you first-class leg space" _____
14. "Plop, plop, fizz, fizz" _____
15. "Gentle enough to use everyday" _____
16. "Whiter teeth and fresher breath" _____
17. "Chow, chow, chow" _____
18. "The next best thing to being there" _____
19. "The sign of the cat" _____
20. "It's not nice to fool mother nature" _____
21. "Gee, your hair smells terrific" _____
22. "The only way to fly" _____

23. "Let your fingers do the walking."_____

24. "Since we're neighbors, let's be friends."_____

25. "So thick, you'll be tempted to eat it with a fork"_____

_____

26. "Please don't squeeze the _____"

27. "It's _____super market, but the produce department is mine!"

28. "We guarantee it for as long as you own your American made car."

_____

29. "It's finger lickin' good."_____

30. "The best darn burger in the whole wide world"_____

31. "I feel good all under."_____

32. "I dare you to knock it off."_____

33. "A sprinkle a day keeps the odor away."_____

34. "We really move our tail for you."_____

35. "You're in good hands with _____"

36. "Helps the hurt stop hurting."_____

37. "A piece of the rock"_____

38. "Melts in your mouth, not in your hands"_____

39. "The cereal that Mikey likes."_____

40. "_____adds life."

Television Advertising Quotient:_____

		NUMBER CORRECT			
Trouble!	Poor	Fair	Good	Excellent	Outstanding
40 = 100%	37 = 94%	34 = 88%	31 = 82%	28 = 76%	25 = 70%
39 = 98%	36 = 92%	33 = 86%	30 = 80%	27 = 74%	24 = 68%
38 = 96%	35 = 90%	32 = 84%	29 = 78%	26 = 72%	23 = 66%

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: BUDGET MEAL PLANNING FOR TWO

OVERVIEW OF ACTIVITY: (generalization)

It is practical to give consumers the experience of working with a budget. It is important to plan ahead and stay within a budget. Often the food budget is overspent because of snacks and poorly planned meals. Food may be wasted when only two are being fed therefore planning ahead food waste can be avoided.

TYPE OF ACTIVITY: SIMULATED EXPERIENCE

Grade Level (s): 10-12 Length of Time: 2 days

MATERIALS:

For Students:

Play money ($2.00 for each couple)

Newspaper food advertisement

Dittoed sheet listing the "Basic 4" in meal planning

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Plan a budget meal which is nutritional and appealing
2. Record prices of food for meal while on a grocery store field trip.

PLAN FOR IMPLEMENTATION:

1. Divide class into pairs
2. Each pair receives $2.00
3. Students plan a meal which is appealing and nutritious (Basic 4)
4. With the exception of designated staples, students compile a shopping list.
5. Students shop for food for the meal and keep records of expenses. This can be done as a field trip or after school. Both people should shop and menu changes can be made to use specials.
6. If laboratory facilities are available, students can prepare meal for two.
7. Conclude by asking students to discuss what were major obstacles and how they solved them.

EVALUATION:

Students will submit menu plan and cost for food included in meal.

Evaluated by:

1. Cost (should not exceed $2.00)
2. Nutritious and appealing.
3. Proper planning would account for no left-overs. If there are left-overs, plan for usage and storage should be outlined.

(Source: Linda Hansing, Valley High School, Hazelton, ID)

CONCEPT: PURCHASE OF GOODS AND SERVICES: HOUSING

NAME OF ACTIVITY: BUYING A MOBILE HOME

OVERVIEW OF ACTIVITY: (generalization)

Mobile homes provide alternative housing opportunities to more and more of our population. A consumer must be able to compare various types of mobile homes available on the market.

TYPE OF ACTIVITY: EXTENDED LEARNING

Grade Level (s): 11-12 Length of Time: 2-3 hours

MATERIALS:

For Students:

Field trip options to two or more mobile home dealers

Mobile home booklets or brochures

For Teachers:

Mobile home booklets

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Identify features in mobile homes that can be used as a basis for comparing quality.
2. Determine which mobile home to be purchased and justify decision.

PLAN FOR IMPLEMENTATION:

1. Have students read mobile home brochures for background information.
2. Have students visit two or more mobile home dealers and look at mobile homes, talk to dealers, and look at different types of mobile home plans.
3. Students should list key features which they think are indicators of quality in mobile homes.
4. Discuss which type of mobile home the students might like to buy and the reasons supporting this decision.
5. Ask students to explore other factors involved in purchasing mobile homes, e.g., availability of sites, safety standards in construction, etc.

EVALUATION:

Student discussion on comparison of findings and justification of selection.

(Source: Charlene Alexander, Silverhills Jr. High, Wallace, ID)

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: COMPARISON SHOPPING

OVERVIEW OF ACTIVITY: (generalization)

Many factors need to be taken into consideration prior to making a purchase which will prove to be satisfactory to the customer.

TYPE OF ACTIVITY: RESEARCH INVESTIGATION

Grade Level (s): 11-12 Length of Time: 5 days

MATERIALS:

For Students:

Dittoed sheets, "Comparison Shopping Assignments"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Identify steps in the decision making process.
2. Identify and use sources which provide product quality testing results.
3. Recognize how personal factors influence purchases.
4. Compare products according to needs, wants, prices, etc.
5. Determine purchase decision based on information gathered.

PLAN FOR IMPLEMENTATION:

1. Give each student dittoed sheet "Comparison Shopping Assignment."
2. Discuss the steps to follow in the decision making process.
3. Display periodicals which provide product quality testing results e.g., Consumer Reports.
4. Discuss sources of product information available in the marketplace.
5. Have students compile a check list of factors to consider in marketplace research.

EVALUATION:

Completion of "Comparison Shopping Assignment" sheet.
Student discussion on the major factor which influenced your decision.

(Source: Tatia Morrison, North Salem High School, Salem, OR)

Student Name

COMPARISON SHOPPING ASSIGNMENT

Date

I.	Project Approval	10
II.	General Research	30
III.	Personal Factors	55
IV.	Brand Comparison	225
V.	Making the Decision	60
VI.	Presentation and Neatness	20
	TOTAL POINTS:	400

I. Project Approval

Product to be Researched | Date | Approval

I.1 s.

II. General Research

A. Article

Article Name | Pages

5

Magazine | Date

5

B. Summary Of Introduction

10

C. Important Features Listed In Article

1. 2
2. 2
3. 2
4. 2
5. 2

II. 30

III. Personal Factors	NEEDS: (Requirements	WANTS: (Ranked)
A. Features Which Are Needs and Wants For Me As A Consumer	1. _____	1. _____ 10
	2. _____	2. _____ 10
	3. _____	3. _____ 10
B. Personal Resources	Describe your personal resources as they relate to the product you have selected to research.	
	1. Time and energy:	5
	2. Skills, abilities, and knowledge:	5
	3. Money and credit:	5
	4. Other:	
C. Influence Of Resources on Product Selection		10
		III.55

IV. Brand Comparison	BRAND: MODEL:	
A. Select Three Brands To Be Compared	1. _____ _____	5
	2. _____ _____	5
	3. _____ _____	5
B. Summary Of Information Gathered In Marketplace Research		
BRAND #1 _____	1. Booklets:	10
	2. Labels and Packages:	10
	3. Salesperson:	10
	Store Visited:	
BRAND #2 _____	1. Booklets:	10
	2. Labels and Packages:	10
	3. Salesperson:	10
	Store Visited:	

BRAND #3

_____

1. Booklets: 10

_____

2. Labels and Packages:

_____ 10

3. Salesperson:

_____ 10

Store Visited:

C. Chart Comparing Three Brands According To Identified Needs and Wants

Rate the Brands

B = Better Than Necessary

A = Adequate

I = Inadequate

FEATURES	BRAND #1 _____	BRAND #2 _____	BRAND #3 _____	
NEEDS:				
				15
				15
				15
WANTS:				
				15
				15
				15

D. Price Comparison	BRAND: PRICE:	
	1. _____ _____	10
	2. _____ _____	10
	3. _____ _____	10
		IV. 225
V. Making the Decision A. Brand Selection	_____ _____ (Brand Selected) (Model Selected)	10
B. Strengths	1. _____	20
	2. _____	
	3. _____	
	4. _____	
C. Weaknesses	1. _____	15
	2. _____	
	3. _____	
	4. _____	
D. Cost Effectiveness		15
		V. 60

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: COMPARATIVE BUYING

OVERVIEW OF ACTIVITY: (generalization)

"Shopping around" habits, attitudes of comparison and alternatives to impulse spending are essential to comparitive buying.

TYPE OF ACTIVITY: CATALOGUE RESEARCH

Grade Level (s): 11-12 Length of Time: 10 days

MATERIALS:

For Students:

Various commercial catalogues students may bring from home or catalogue warehouses will sometimes donate to schools.

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Gather needed data from the sources (catalogues).
2. Compare the data gathered.
3. Make a decision on which product is the best buy.

PLAN FOR IMPLEMENTATION:

1. The student makes a list of 20 items that one would like to purchase (example: can opener).
2. The student gathers data relative to each item from at least three sources; e.g., Sears, J.C. Penney, Montgomery Ward.
3. The student compares the data. Example:

   Sears, electric can opener, stainless 115v., 6 lbs., pastels $19.95

   Jafco, GE, can opener, ice crusher, auto shut off, seperate on-off switch, one color $26.25

   Wards, deluxe can opener & knife sharpener, automatic, cutter assembly, chrome magnet stainless blade $21.67
4. Student makes a choice, based on catalogue data as to which is the least expenditure of money for desired item.
5. Compare item selected from catalogue to items available in local marketplace.

EVALUATION:

Student will turn in a notebook for each item on the list with:

1. Data
2. Comparisons
3. Choices

Notebooks are checked for completeness of data and reasons for the choices made.

(Source: John Rogers, Arlington High School, Arlington, OR)

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: CONSUMER AWARENESS

OVERVIEW OF ACTIVITY: (generalization)

Many consumers make purchases without considering the factors involved in the choice of a product. In this activity the students will evaluate paper towels using a variety of factors influencing their judgment.

TYPE OF ACTIVITY: SIMULATION

Grade Level (s): 9-12 Length of Time: 45 minutes

MATERIALS:

For Students:

Four packages paper towels

Dittoed Sheet, "Paper Towel Selection"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Complete worksheet, "Paper Towel Selection"
2. Determine a reasonable choice of paper towel based upon information gained in research.
3. State three reasons for selection of specific paper towel.

PLAN FOR IMPLEMENTATION:

1. Students may work in small groups.
2. Teacher selects four packages of paper towels; including well-krown brands and store brands.
   - 2.1. The wrapping and labels are removed before class.
   - 2.2. Towels are labeled A, B, C, D.
   - 2.3. Information is written for student's use on work-sheet, "Paper Towel Selection".
3. Student:
   - 3.1. Perform experiments to evaluate the performance of each towel.
   - 3.2. Record the results.
   - 3.3. Compare information given them by teacher.
   - 3.4. Select the "best buy".
4. Have student share results.
5. Teacher unveils the identity of the towel brands.

EVALUATION:

Teacher observation. Record the type of experiments used. Note any especially original ideas.

Students list three reasons for selection. Each reason should be based on comparison of information.

(Source: Jean Lewis, Vale Middle School, Vale, OR. Adapted from Dr. Ellis, University of Minnesota)

PAPER TOWEL SELECTION WORKSHEET

I. Information provided by teacher for each towel:

	Price	Number of towels	Size of towel	Length of roll	1 or 2 ply
Towel A					
Towel B					
Towel C					
Towel D					

II. Suggested Experiments:

1. Absorbancy (Stress the importance of exact measures of liquid to be used.
2. Strength
3. Texture (blindfold test)
4. Attractiveness
5. Durability

Points may be assessed for each experiment, weighing the more important items.

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: COST COMPARISON: COMENIENCE FOODS VS. HOME PREPARED FOODS

OVERVIEW OF ACTIVITY: (generalization)

Convenience foods may or may not cost more than home prepared foods when all aspects of preparation are taken into account.

TYPE OF ACTIVITY: LABORATORY

Grade Level (s): 10-12 Length of Time: 3 hours

MATERIALS:

For Students:

Purchased food items with price attached.

Dittoed sheet, "Cost Comparison"

For Teachers:

Note: Project could be an extended experience to be completed at home.

Reference (s):

Energy Conservation in the Home, Energy Education Conservation Curriculum Guide for Home Economics Teachers, U.S. Department of Energy, Washington, D.C.

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Become aware that convenience foods may be preferred in some situations, whereas in other situations home prepared foods may be preferable.
2. Compare a convenience food and a comparable home prepared food as to cost analysis, recipe ingredients and energy expended to operate appliances.

PLAN FOR IMPLEMENTATION:

1. Have each laboratory group of students pick a particular food item and prepare it using convenience foods and longer home prepared methods with equivalent ingredients. Some items to choose from are hamburger helper, frozen dinners, cake mixes, frozen pizza, etc.
2. Each group will record on "Cost Comparison" sheet:
   - 2.1. Time involved to prepare by each method.
   - 2.2. Energy method used.
   - 2.3. Taste and quality evaluation.
   - 2.4. Cost analysis of each item.
3. Discuss situations where convenience foods and/or home prepared foods might be preferred.

EVALUATION:

Students will state situations where use of convenience foods might be preferred.

Students will state situations where use of home prepared foods would be preferred.

Students will complete "Cost Comparison" sheet.

(Source: Doris Autenrieth, Jerome High School, Jerome, ID)

COST COMPARISON

Convenience Foods vs. Home Prepared Foods

1. Convenience Food: _____

   1.1. Preparation time: _____ minutes

   1.2. Energy method used: _____ (appliance)

   Estimated Cost: _____

   1.3. Taste/Quality Evaluation:

   1.4. Cost Analysis:

2. Home prepared food: _____

   2.1. Preparation time: _____ minutes

   2.2. Energy method used: _____ (appliance)

   Estimated Cost: _____

   2.3. Taste/Quality Evaluation:

   2.4. Cost Analysis:

3. List situations where the use of each would be preferred:

   3.1. Convenience foods:

   3.2. Home prepared foods:

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: EXPLORING THE INFLUENCE OF ADVERTISEMENT APPEALS

OVERVIEW OF ACTIVITY: (generalization)

Producers use advertising as a form of selling their products. Consumers need to examine the underlying appeals of advertisements in order to make a wise choice of purchasing a product.

TYPE OF ACTIVITY: DIAGNOSIS

Grade Level (s): 10-12 Length of Time: 50-70 minutes

MATERIALS:

For Students:

Jelly, H.M. and Robert O. Herrmann, The American Consumer, Gregg Division, McGraw-Hill, 1973.

For Teachers:

Reference (s):

Video tape television commercials

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Examine three TV commercials to determine the advertising appeal that is being used in order to sell the product.

PLAN FOR IMPLEMENTATION:

1. Discuss the four or five advertising appeals. After each appeal a commercial is shown to reinforce the concept of this appeal.
2. Students are to find an advertisement from magazines, newspapers or other written media that relates to each appeal.
3. Students are shown three commercials. The student identifies the appeal and evaluates the appeal's effectiveness as to helping it sell the product.

EVALUATION:

The student will identify and evaluate the appeal of three commercials.

(Source: Karen J. Donleycott, Wood River High School, Hailey, ID)

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: LIVING ON ONE'S OWN

OVERVIEW OF ACTIVITY: (generalization)

Few people realize that many costs are involved when a person moves out into the world. Students should be aware of these costs.

TYPE OF ACTIVITY: SIMULATED EXPERIENCE

Grade Level (s): 11-12 Length of Time: 2-3 hours

MATERIALS:

For Students:

Catalogues

Newspaper advertisements

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s);

Students will:

1. Prepare a list of housing items needed in managing a household.
2. Plan a basic list of food supplies for one month, assuming that they have nothing.
3. Calculate the cost of living on one's own.

PLAN FOR IMPLEMENTATION:

1. Working alone or in pairs, students will prepare a list of housing items needed to set up housekeeping. Their list should include food for one month. (Two people work well as roommates or couples--this encourages cooperation too.) (Students are to assume that they are starting with nothing.)
2. Students will use catlogues, newspapers, or visit local stores to determine prices of items. Total all expenses.
3. Indicate by asterisk which items on list can be borrowed from family, relatives, etc. Compute the amount saved by borrowing such items.
4. Discuss other cost, e.g., cleaning deposits, utility deposits, etc., that are involved in moving out of one's family home.
5. Discuss establishing one's own residence and cost incurred.

EVALUATION:

Student discussion on:

1. Cost involved in establishing one's own residence.
2. Why cost vary.
3. What should be considered prior to moving.

Students will turn in itemized expense sheet.

(Source: Linda Hansing, Valley High School, Hazelton, ID)

CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: PLANNING A VACATION

OVERVIEW OF ACTIVITY: (generalization)

Through the successful planning of resources, families, as well as, individuals can realize a "sought after" vacation. All costs, transportation, routes, accommodations, expense money, the time of the year, the length of time, etc., have to be considered when planning for a vacation to prevent excessive expenditure of money.

TYPE OF ACTIVITY: RESEARCH/INVESTIGATION

Grade Level (s): 10-12 Length of Time: 5-10 days

MATERIALS:

For Students:

1. Travel brochures from local travel agencies.
2. Dittoed sheet, "Trip Expenditures"

For Teachers:

1. Recent issue of Travel Agents schedule and fare guide (s) for bus, train, airways, and ships.

Reference (s);

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Complete a vacation plan utilizing designated criteria.
2. Calculate and account for all costs of taking a designated trip.

PLAN FOR IMPLEMENTATION:

1. Motivation can be accomplished through a slide presentation of a trip already completed.
2. Announce a month or so in advance that the class should begin thinking of where they would like to go if money were no object or if there is somewhere that they would like to plan a vacation.
3. Inform students that they will be planning a vacation to a place of their choice and to begin gathering information. Students should use any and all resources available to them. (Travel agents, travel brochures, advertisements, travel magazines, or information from tourist bureaus, personal interviews or experiences.)
4. Criteria to use when planning a trip are:
   - 4.1. the trip must be no more than 200 miles away.
   - 4.2. no dollar or money limit is set. Try to be within reason. NOTE: The instructor may wish to set a limit.
5. Discuss the following ideas/topics either during, before, or after the writing of the report.
   - 5.1. Types of travel
   - 5.2. Types of accommodations
   - 5.3. "Cut rate" fares/package tours
   - 5.4. Sources of information
   - 5.5. Reading maps
   - 5.6. Cutting costs
6. For a complete vacation plan the following items should be considered and included:
   - 6.1. Where - destination
   - 6.2. When - season of the year or month or hopefully specific dates
   - 6.3. Type of transportation - plane, car, bus, train, boat
   - 6.4. Cost of this transportation - round trip fare or if auto include cost fuel, serving, tires, wear and tear,etc.

6.5. The route that will be taken - highway numbers, over the pole, etc.

6.6. How long you will be gone - days, weeks, etc.

6.7. Where you will stay.

6.8. The cost of food and accommodations.

6.9. Entertainment costs - night clubs, concerts, souvenirs, tour guides.

6.10. Exchange rates - when and where you will exchange your money.

6.11. Passport - procurement, cost, shots, etc.

6.12. Type of clothes you will take - sports, evening, daytime, etc.

7. Additional questions to be considered are:

7.1. Why did you pick this vacation?

7.2. How will or where will you get the money to take this vacation?

7.3. How long would it take you to save this amount?

7.4. How might you save or cut some of the costs?

7.5. Do you think you will even take this trip? Why or why not?

7.6. What did you learn or experience from doing this research?

7.7. What will you do about your apartment, house, newspaper, mail, pets, lights, security?

EVALUATION:

Students will submit a summary report not to exceed three typewritten pages including a chart used to show expenses.

Criteria to consider:

1. Were all costs included?
2. Were all aspects of the vacation investigated and explained?
3. How well was the information presented?
4. Sources of information.

(Source: Brad Freeman, Tillamook High School, Tillamook, OR)
(Adapted from: P. Pitzer, Aloha High School, Aloha, OR)

TRIP EXPENDITURES

DIRECTIONS: The following expense formulas will help you in determining the approximate cost of overnight accommodations, food, tips, and admissions.

OVERNIGHT ACCOMMODATIONS

Number of days		Average rate two persons in room		
_____	X	$30.00	=	$_____

For one person subtract 20% of the above $_____

For additional persons sharing one room add $3.00 each $_____

Total overnight expense $_____ A

FOOD, TIPS AND ADMISSIONS

Number of days		Average daily food cost per person including tips		Number in party		
_____	X	$15.00	X	_____	=	$_____ B

DAILY COSTS OF ADMISSIONS, AMUSEMENTS, AND MISCELLANEOUS TIPS $_____ C

TOLL CHARGES (FERRIES, HIGHWAYS, BRIDGES) $_____ D

TOTAL A, B, C, AND D FOR ESTIMATED COST $_____

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CONCEPT: PURCHASE OF GOODS AND SERVICES

NAME OF ACTIVITY: PRODUCT EVALUATION

OVERVIEW OF ACTIVITY: (generalization)

By comparing products using various factors, e.g. quality, construction, ingredients, etc. consumers will recognize the significance of product comparison.

Certain factors should be taken into consideration prior to making a purchase.

TYPE OF ACTIVITY: PRODUCT EVALUATION

Grade Level (s): 11-12 Length of Time: 50 minutes

MATERIALS:

For Students:

1. pencil - scratch paper - paper plate - plastic fork - food samples
2. pencil-scratch paper
3. paper - pencil - napkin - food sample

For Teachers:

1. 2 cans beans, 2 cans stew, 2 cans pudding, 2 cans of different food products, brands, prices.
2. 2 items of different types of clothing, e.g. jeans, skirts, shoes.
3. 1 frozen pie, 1 package cookies, knife for cutting pie, can opener, spoon for serving.

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Decide which product is a better purchase based upon findings.
2. Justify decisions for consumer selection.

PLAN FOR IMPLEMENTATION:

1. Food comparison:
   - 1.1. Remove labels, mark cans A, B, etc.
   - 1.2. Pass to students to see and taste; students evaluate taste, texture, appearance.
   - 1.3. Have students rate each product (grading).
   - 1.4. Inform students of brand of each product and price.
   - 1.5. Discuss opinions in class.
2. Clothing Comparison:
   - 2.1. Pass items of clothing to student (labels and brand identifying parts are covered).
   - 2.2. Students compare quality of construction, design, etc.
   - 2.3. Students estimate price on each item.
   - 2.4. Reveal brand names, prices.
3. Label information:
   - 3.1. Items purchased are not shown to students.
   - 3.2. List ingredients off labels on black board for students to copy.
   - 3.3. Have students record on paper what they think the product is.
   - 3.4. Ask each student, individually, for conclusion, record each.
   - 3.5. Students can then sample product if they desire.
   - 3.6. Compare actual label with student answer.

   NOTE: Oreo cookies, meat pies, fruit pies, are excellent to use.

EVALUATION:

Student discussion: points for consideration:

1. Basis of decisions made during comparisons
2. Consumer purchases
3. Value of product comparison.

(Source: Dorothy Sahr, Estacada High School, Estacada, OR)

CONCEPT: PURCHASE OF GOODS AND SERVICES: HOUSING

NAME OF ACTIVITY: THE PURCHASING OF USED MERCHANDISE

OVERVIEW OF ACTIVITY: (generalization)

Since the cost of new merchandise is high, the students should be able to compare the cost of new and used merchandise and evaluate it as to suitability and use as a method of saving money. Actually purchasing used merchandise will enable consumer to evaluate this type of purchase.

TYPE OF ACTIVITY: EXTENDED LEARNING

Grade Level (s): 11-12 Length of Time: 3 hours

MATERIALS:

For Students:

Dittoed sheet, "Report Sheet"

Catalogues

For Teachers:

Speaker from Salvation Army (Thrift Shop)

Field Trip to lawn or garage sale

Reference (s);

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Make a wise selection of used merchandise.
2. Compare their selection of new merchandise to used by attending a garage sale.

PLAN FOR IMPLEMENTATION:

1. Invite a speaker from the Salvation Army, Goodwill Industries, etc., to explain how items are priced, the repairs needed, what determines good buys, guides to follow when purchasing used merchandise, etc.
2. List of items students are interested in purchasing should be made prior to field trip to discourage impulsive buying (habits).
3. Students should attend garage sale to make selection of items as basis for comparison with new items.
4. Use catalogues to determine price of items, if purchased new.
5. Complete "Report Sheet."

EVALUATION:

Using "Report Sheet," relate information to class for discussion to determine the value of purchases.

Each student will hand in a short report on the value of their item.

(Source: Sharon Hoogland, Kendrick High School, Kendrick, ID)

REPORT SHEET

ITEM SELECTED	COST		CONDITION	REPAIRS NEEDED	COST	PROBABLE USE IN HOME
	USED	NEW				
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

Timely Teaching Tips
✔ money management
✔ goods and services
✔ consumer economics

CONCEPT: CONSUMER ECONOMICS

NAME OF ACTIVITY: A BOUTIQUE FOR PROFIT

OVERVIEW OF ACTIVITY: (generalization)

When students are provided the opportunity to produce a saleable item for purchase the economics principles are applied in decision making as they formulate their small business within the classroom setting.

TYPE OF ACTIVITY: SIMULATION - Motivational Hands-On Technique

Grade Level (s): 10-12

Length of Time: 1 month of classtime (off and on in classroom and on students' own time)

MATERIALS:

For Students:

Monetary resources to develop product to be sold in the boutique. (Must develop and produce a minimum of one item to be sold at boutique.)

For Teachers:

Speaker representing a small business from community. (Classroom speaker or field trip.)

Film: "Mrs. Peabody's Beach"

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The students will:

1. Experience directly engaging in the operating of a small business.
2. Select a product to produce, formulate method of production, purchase materials needed, figure labor costs, overhead, state price, and sell in the marketplace. (Classroom Boutique)

PLAN FOR IMPLEMENTATION:

NOTE: Suggestion: A good project to do before Christmas which can be used in any class.

1. Set stage by having a speaker from a small business.
2. Plan project and implement one month prior to sale of goods.
   - 2.1. This needs to be a total class project with a minimum of production of one item per student.
   - 2.2. Have students plan item they wish to produce individually or in a group (no more than 4).
   - 2.3. Each student is totally responsible for initial money invested; work and preparation; setting price; and marketing (can sell to parents, teachers, or at a Christmas time fashion show).

   Incentive: Students keep profits.
3. Class follow up discussion consists of future possibilities and suggestions.

NOTE: Individualized activity: Teacher is the facilitator and resource person only.

Teacher needs to regularly check progress and see project to completion stages. Evaluate and draw conclusions.

EVALUATION:

Evaluate Boutique (overall) and individual efforts as to cost effectiveness:

1. Price of materials
2. Amount of time to produce one
3. Wage paid for production time
4. Setting price
5. Amount sold
6. Pros and Cons of product
7. Profit
8. Personal Conclusions

Students doing more than one project will be given additional credit.

(Source: Cheryl Ann Robbins, Moscow High School, Moscow, ID)

CONCEPT: CONSUMER ECONOMICS

NAME OF ACTIVITY: INCREASING ECONOMIC VOCABULARY

OVERVIEW OF ACTIVITY: (generalization)

Comprehension of business articles in newspapers and magazines is often hazy because of special meanings of ordinary words in the business sense. This exercise will increase enjoyment of reading because of a better understanding of the terminology.

TYPE OF ACTIVITY: WORD SEARCH

Grade Level (s): 12

Length of Time: 10-15 minutes each day -- one week

MATERIALS:

For Students:

Dittoed sheets, "Word Search Business and Our Economic System" and "Matching Test"

Current magazines and newspapers

Business Glossary

Scissors

For Teachers:

Reference (s):

Price, Musselman, and Hall. General Business for Everyday Living, 4th Edition, Gregg Division, McGraw Hill, 1972, pp.642-651.

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Recognize that many words in business often have different connotations than the accepted dictionary definition.
2. Demonstrate comprehension of business terms by completing a vocabulary test.
3. Use a business glossary, current magazines and newspapers to locate the meanings of given words.

PLAN FOR IMPLEMENTATION:

1. Give students dittoed list of words pertaining to a unit: consumerism, economic system, banking, credit,etc.
2. Have students look up the words in the glossary.
3. Provide new magazines and current newspapers.
4. Have students clip the paragraph containing the word making sure it is used in the business sense. Circle the word and staple paragraph to bulletin board. (Provide a 16 inch bulletin board for each student.) If class is large, use a "scrapbook" method.
5. Create interest by counting the word most often found. Give a bonus point for finding a word no one else found.
6. Place an article containing a word in an obvious place and see who finds it. Offer points for each word.
7. Have a drawing for words and have students spell and define the word.

EVALUATION:

Vocabulary test at the end, either a matching for meaning and/or a spelling achievement.

(Source: Elizabeth Seaton, Mohawk High School, Marcola, OR)

WORD SEARCH

Business and Our Economic System

Directions: Define each term. Clip paragraphs from news articles in magazines or newspapers containing these words.

1. Demand
2. Depression
3. Economic system
4. Economize
5. Employment
6. Free enterprise system
7. Interdependent
8. Key industries
9. Minimum wage
10. Mixed economy
11. Monopoly
12. Planned economy
13. Private sector
14. Productive resources
15. Profit motive
16. Prosperity
17. Public sector
18. Public utility
19. Self employed
20. Social goods
21. Standard of living
22. Supply
23. Wages
24. Recession
25. Upswing
26. Downswing
27. Worker

BUSINESS AND OUR ECONOMIC SYSTEM

MATCHING TEST

Directions: Match the correct word to the description and write the word in the answer blank.

Description:	Answer:
1. The total sales of a product or service	1. *demand*
2. Work	2. *employment*
3. A system in which some economic decisions are made by individuals acting on their own and some are made by government.	3. *mixed economy*
4. A chance to earn a profit	4. *profit motive*
5. Goods and services provided by government	5. *social goods*
6. An increase in business activity	6. *upswing*
7. A widespread and long lasting recession	7. *depression*
8. An economy in which most decisions are made by individuals as consumers, workers, and owners of businesses.	8. *free enterprise system*
9. A condition that exists when a business firm has no competition.	9. *monopoly*
10. A period when production is rising.	10. *prosperity*
11. The way people live measured by the kinds and quality of goods and services they own or that are provided for them.	11. *standard of living*
12. A decrease in business activity.	12. *downswing*
13. A system for making decisions about how productive resources are to be used.	13. *economic system*
14. Dependent on one another.	14. *interdependent*
15. An economy in which the government makes most of the decision.	15. *planned economy*
16. That part of a free enterprise system in which decisions are made through government.	16. *public sector*
17. The amount or number available.	17. *supply*
18. Income paid to workers.	18. *wages*
19. To avoid waste in the use of money or some other resource.	19. *economize*
20. The lowest amount an employer is allowed by law to pay a worker per hour.	20. *minimum wage*
21. The means of producing goods and services	21. *productive resources*

22. A period when production is slowing down. — 22. recession
23. Industries considered most important to production — 23. key industries
24. A worker who is his own boss. — 24. self-employed
25. A private enterprise that is permitted to operate as a — 25. public utility
26. A person 16 years of age or over who is employed or looking for employment. — 26. worker
27. Goods and services produced and sold by privately owned business firms. — 27. private goods

WORDS

accession
demand
depression
downswing
economic system
economize
employment
free enterprise system
interdependent
independent
Key industries
labor
minimum wage
maximum salary
mixed economy
monopoly
oligarchy
planned economy
private goods
private sector
procession
productive resources
profit motive
prosperity
public sector
public utility
self employed
social goods
standard of living
supply
recession
risk taking
unemployment rate
upswing
worker
wages

CONCEPT: CONSUMER ECONOMICS

NAME OF ACTIVITY: SEEING BOTH SIDES: FEDERAL REGULATIONS

OVERVIEW OF ACTIVITY: (generalization)

Survey of people in a variety of businesses will provide insight as to how they are affected by the regulations imposed upon them by the Federal agencies.

TYPE OF ACTIVITY: COMMUNITY SURVEY

Grade Level (s): 8-12 Length of Time: 2 days

MATERIALS:

For Students:

Current information on Federal regulations and agencies enforcing them.

For Teachers:

Reference (s):

Current information on Federal regulations and agencies enforcing them.

STUDENT PERFORMANCE INDICATOR (s):

Students will:

1. Match a list of given Federal agencies with the area in which each resides.
2. State the effects of Federal regulations on both consumer and producer in at least three cases.

PLAN FOR IMPLEMENTATION:

1. Introduce students to the Federal agencies and their primary concerns.
2. Discuss:
   - 2.1. How Federal regulations aid the consumer.
   - 2.2. Where a consumer can go to make a complaint.
3. Divide the class into small groups.
4. Instruct groups to devise a questionnaire to use in a survey of the people in the business community as to the effects of Federal regulations.
5. Have each group survey a portion of the businesses to discover the effects of Federal regulations:
   - 5.1. Feelings toward them?
   - 5.2. Limitations?
   - 5.3. Penalties?
   - 5.4. Trouble they encounter in following them?

EVALUATION:

Teacher made tests to evaluate knowledge of Federal agencies.

Students could use information to debate the issue:

Why do we need Federal regulations?

1. Consumer View
2. Business View

(Source: Jean Lewis, Vale Middle School, Vale, OR)

CONCEPT: CONSUMER ECONOMICS

NAME OF ACTIVITY: SUPPLY AND DEMAND AND PRICE INDEX RECORD

OVERVIEW OF ACTIVITY: (generalization)

Supply and demand affects cost of products. A study of foods whose prices fluctuate (produce, meats) can lead to understanding of the concept of supply and demand as well as the consumer price index.

TYPE OF ACTIVITY: NEWSPAPER - FIELD TRIP

Grade Level (s): 10-12

Length of Time: Ongoing activity
30 minutes per week

MATERIALS:

For Students:

Newspaper Grocery Advertisements

For Teachers:

Field trip - grocery store

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

Student will:

1. Describe the relationship of supply and demand and the effects of the cost of a product.
2. Devise a price index record.

PLAN FOR IMPLEMENTATION:

1. Divide students into groups of 2-4 persons.
2. Each group is to select a specific food item in which the price can fluctuate readily, e.g. seasonal produce, meats, etc.
3. Through the use of newspaper ads and/or visits to grocery store, each group will keep a record (chart) of the price for food item chosen. Records are to be kept over a period of time (2-3 months).
4. Determine a consumer price index (CPI) using information gathered during course of investigation.
5. Students will be prepared to discuss how supply and demand affects cost of an item.

EVALUATION:

Student analysis of supply and demand on the cost of a product.

Student records of consumer price index for selected food item (s).

(Source: Doris Autenrieth, Jerome High School, Jerome, ID)

PRICE INDEX RECORD

Directions: Select a food item and outlet and keep a weekly record of the price. Calculate the Consumer Price Index using the information gathered.

1. FOOD OUTLET:

2. FOOD ITEM:

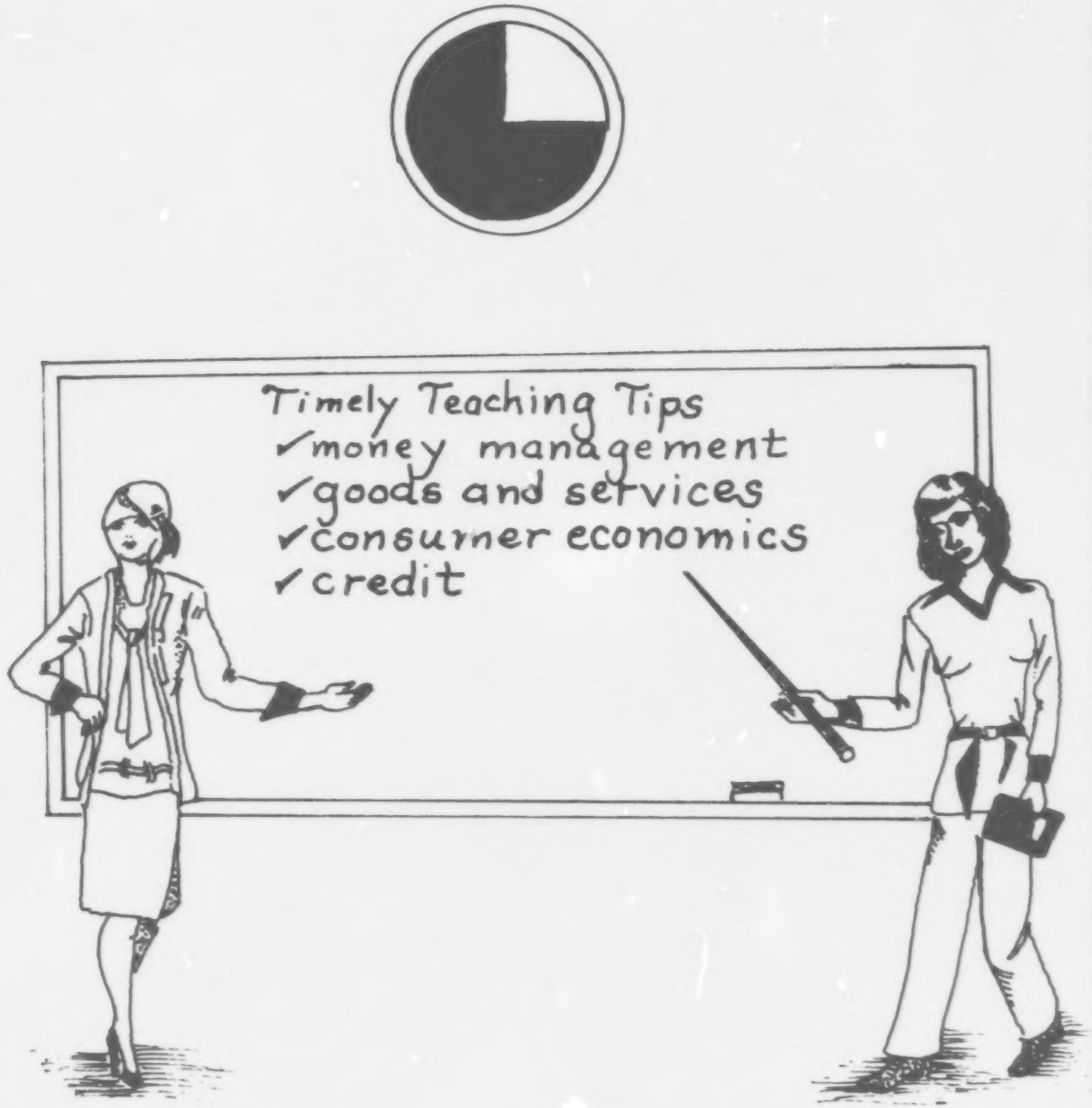
3. WEEKLY COST:

WEEK	COST
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	

4. Amount of CIP Change:

   4.1. Weekly:

   4.2. Over all average:


Timely Teaching Tips
✓money management
✓goods and services
✓consumer economics
✓credit

CONCEPT: CREDIT

NAME OF ACTIVITY: APPLYING FOR A SHORT TERM LOAN

OVERVIEW OF ACTIVITY: (generalization)

In today's society people need to become aware of the procedure and time it takes to obtain a loan.

TYPE OF ACTIVITY: ROLE PLAY

Grade Level (s): 11-12 Length of Time: 4 hours

MATERIALS:

For Students:

Housing text of teacher's choice

One small item that is of value to students

Loan application forms

For Teachers:

Guest speaker e.g. Bank loan officer

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

Student will:

1. Understand a loan application
2. Complete an application for obtaining a loan
3. Carry out a small business practice and repay the loan when it is due.

PLAN FOR IMPLEMENTATION:

Have students decide on type of small business to be operated and provide appropriate procedures to follow:

1. Arrange for guest speaker (loan officer) from local bank.
2. Have each student fill out a loan application.
3. The loan officer reviews each application and explains what could cause problems obtaining a loan and what are good assets.
4. Have students obtain information on securities that could have a lien put on them and co-signers. At this point each student gives the article they brought to secure the loan payment. (It can be anything that is of value to them, e.g. T-shirt, record, magazine, picture.)
5. Actual check is made out with each student's name on the check and everyone signs loan papers and endorses check.
6. From here on the actual money obtained will be used in operating a small business.
7. Students will repay the loan and interest on due date and security held items will be returned.

EVALUATION:

Students will have actually taken out a loan through the correct loan process. Students will run a successful business and repay the loan when it falls due.

(Source; Linda Anderson, Glenns Ferry High School, Glenns Ferry, ID)

CONCEPT: CREDIT

NAME OF ACTIVITY: COST OF CREDIT

OVERVIEW OF ACTIVITY: (generalization)

The use of credit can cost the consumer money. Being able to compute the interest rates and money cost of credit helps consumers determine whether the use of the item is worth the credit costs.

TYPE OF ACTIVITY: CASE STUDY

Grade Level (s): 11-12 Length of Time: 30 minutes

MATERIALS:

For Students:

Dittoed sheet, "Credit Cost Situations"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Compute credit costs and determine if they want to pay the amount for the use of credit.
2. Compute interest rates and the dollar costs of credit.

PLAN FOR IMPLEMENTATION:

1. Give students sheet, "Credit Cost Situations", dealing with credit buying.
2. Have students compute the percentage rates and credit costs in each situation.
3. Discuss answers in class.
4. Have students analyze whether the cost of credit is worth its use.

EVALUATION:

Students will correctly compute the cost of credit and the percentage of interest rate.

(Source: Alice M. Anderson, College of Southern Idaho, Twin Falls, ID)

CREDIT COST SITUATIONS

Situation #1:

The Brown family purchased a refrigerator on time. The total price was $392.00. The cash price was $350.00. What percentage interest rate are they paying?

(Answer: 12%; formula: $R=\frac{I}{P}$)

Situation #2:

Jack is buying a car on 36 month credit plan. The cash price is $3,000. He was told the interest rate on his contract is 10% plus $30 for insurance. What is the total price of the car?

(Answer: $3,930; formula: I=PRT)

CONCEPT: CREDIT

NAME OF ACTIVITY: MORTGAGE COSTS

OVERVIEW OF ACTIVITY: (generalization)

A consumer must be made aware of cost considerations involved in selecting homes of their own choice and calculating monthly and yearly payments with varying down payments and interest rates.

TYPE OF ACTIVITY: ACTIVITY SHEET

Grade Level (s): 11-12 Length of Time: 2 hours

MATERIALS:

For Students:

Dittoed sheet, "Amortization Table"
Classified ad section from newspapers
Calculators, if possible
Ditto sheet, "Mortgage Costs"

For Teachers:

"Amortization Table"
Reference (s):

STUDENT PERFORMANCE INDICATOR (s);

Students will:

1. Become aware of time required to pay off a loan, total amount to be borrowed, and interest rates affecting the total cost of a loan.
2. Accurately calculate the total, yearly and monthly costs of amortizing a loan for both 29 years and 30 years at interest rates of 10% and 10.5% and a down payment of 10% and 20%.

PLAN FOR IMPLEMENTATION:

1. Using classified ads from newspapers, have students find homes for sale either in different parts of a city or in different parts of the state and record the price and description.
2. Demonstrate for students how to use the Amortization Table.
3. Instruct students to select one of their homes for calculations to be completed as indicated in the "mortgage cost" sheet. NOTE: Teachers may want to provide designated figures in columns A, B, D, and E.
4. Follow-up discussions can emphasize total expenses for various interest rates and down payments. Closing costs, title inspection, etc., can also be included.

EVALUATION:

Students will submit the "Mortgage Cost" sheet for the home selected.

(Source: Chuck Peterson, Pine Eagle High School, Halfway, OR)

AMORTIZATION TABLE

INSTALLMENT AMOUNT PER $1,000.00

No. of Years	4%	5%	5⅛%	6%	6⅛%	7%	7⅛%	7¼%	7⅜%	8%	8⅛%	8¼%	8⅜%	9%	9⅛%	9¼%	9⅜%	10%	10⅛%	10¼%	10⅜%	11%	No. of Years
5	224.63	230.98	234.18	237.40	240.64	243.90	245.53	247.17	248.81	250.46	252.12	253.77	255.44	257.10	258.76	260.44	262.11	263.80	265.48	267.18	268.87	270.57	5
6	190.77	197.02	200.18	203.37	206.57	209.80	211.42	213.05	214.68	216.32	217.97	219.61	221.27	222.92	224.58	226.25	227.93	229.61	231.29	232.98	234.68	236.38	6
7	166.61	172.82	175.97	179.14	182.34	185.56	187.18	188.81	190.44	192.08	193.73	195.37	197.04	198.70	200.36	202.04	203.72	205.41	207.10	208.80	210.50	212.22	7
8	148.53	154.73	157.87	161.04	164.24	167.47	169.10	170.73	172.37	174.02	175.68	177.34	179.01	180.68	182.36	184.05	185.74	187.44	189.15	190.87	192.59	194.32	8
9	134.50	140.70	143.84	147.03	150.24	153.49	155.13	156.77	158.42	160.08	161.76	163.43	165.12	166.80	168.50	170.20	171.92	173.64	175.37	177.11	178.85	180.60	9
10	123.30	129.51	132.67	135.87	139.11	142.38	144.03	145.69	147.36	149.03	150.72	152.41	154.12	155.83	157.54	159.27	161.00	162.75	164.50	166.26	168.03	169.80	10
11	114.15	120.39	123.58	126.80	130.06	133.36	135.03	136.70	138.39	140.08	141.79	143.50	145.23	146.95	148.69	150.44	152.20	153.96	155.74	157.52	159.32	161.12	11
12	106.58	112.83	116.03	119.28	122.57	125.91	127.59	129.28	130.99	132.70	134.43	136.16	137.91	139.66	141.41	143.19	144.97	146.78	148.57	150.38	152.20	154.03	12
13	100.15	106.46	109.69	112.97	116.29	119.66	121.36	123.07	124.79	126.53	128.28	130.03	131.80	133.57	135.35	137.15	138.96	140.78	142.61	144.45	146.29	148.15	13
14	94.67	101.03	104.28	107.59	110.95	114.35	116.07	117.80	119.55	121.30	123.08	124.85	126.65	128.44	130.25	132.07	133.90	135.75	137.60	139.47	141.34	143.23	14
15	89.95	96.35	99.63	102.97	106.36	109.80	111.54	113.29	115.06	116.83	118.63	120.43	122.25	124.08	125.90	127.74	129.60	131.47	133.36	135.25	137.15	139.07	15
16	85.82	92.27	95.59	98.96	102.38	105.86	107.62	109.40	111.18	112.98	114.80	116.62	118.46	120.30	122.16	124.03	125.92	127.82	129.72	131.64	133.58	135.52	16
17	82.20	88.70	92.05	95.45	98.91	102.43	104.21	106.01	107.81	109.63	111.48	113.32	115.19	117.06	118.93	120.83	122.74	124.66	126.60	128.54	130.50	132.47	17
18	79.00	85.55	88.92	92.36	95.86	99.42	101.22	103.03	104.86	106.71	108.58	110.44	112.33	114.22	116.12	118.05	119.98	121.93	123.89	125.86	127.85	129.84	18
19	76.14	82.75	86.16	89.63	93.16	96.76	98.58	100.42	102.27	104.13	106.02	107.91	109.83	111.74	113.67	115.61	117.57	119.55	121.53	123.53	125.54	127.56	19
20	73.59	80.25	83.68	87.19	90.76	94.40	96.24	98.10	99.97	101.86	103.77	105.68	107.62	109.55	111.50	113.48	115.46	117.46	119.47	121.49	123.53	125.58	20
21	71.29	78.00	81.47	85.01	88.62	92.29	94.16	96.03	97.93	99.84	101.77	103.70	105.66	107.62	109.60	111.59	113.60	115.62	117.66	119.71	121.77	123.84	21
22	69.20	75.98	79.48	83.05	86.70	90.41	92.29	94.19	96.11	98.04	99.99	101.94	103.93	105.91	107.91	109.93	111.96	114.01	116.06	118.13	120.22	122.31	22
23	67.31	74.14	77.67	81.28	84.97	88.72	90.62	92.54	94.48	96.43	98.41	100.38	102.39	104.39	106.41	108.45	110.50	112.57	114.65	116.75	118.85	120.97	23
24	65.59	72.48	76.04	79.68	83.40	87.19	89.12	91.06	93.01	94.98	96.98	98.97	101.00	103.03	105.07	107.13	109.21	111.30	113.40	115.52	117.65	119.79	24
25	64.02	70.96	74.55	78.23	81.99	85.82	87.76	89.72	91.69	93.68	95.70	97.72	99.77	101.81	103.88	105.96	108.06	110.17	112.29	114.43	116.58	118.74	25
26	62.57	69.57	73.20	76.91	80.70	84.57	86.53	88.50	90.50	92.51	94.55	96.59	98.66	100.72	102.81	104.91	107.03	109.16	111.30	113.46	115.63	117.81	26
27	61.24	68.30	71.96	75.70	79.53	83.43	85.41	87.41	89.42	91.45	93.51	95.57	97.66	99.74	101.84	103.97	106.11	108.26	110.42	112.60	114.79	116.99	27
28	60.02	67.13	70.82	74.60	78.46	82.40	84.39	86.41	88.44	90.49	92.57	94.64	96.75	98.86	100.98	103.12	105.28	107.45	109.63	111.83	114.04	116.26	28
29	58.88	66.05	69.77	73.58	77.48	81.45	83.47	85.50	87.55	89.62	91.72	93.81	95.94	98.06	100.20	102.36	104.54	106.73	108.93	111.14	113.37	115.61	29
30	57.84	65.06	68.81	72.65	76.58	80.59	82.62	84.68	86.75	88.83	90.95	93.06	95.20	97.34	99.50	101.68	103.87	106.09	108.30	110.53	112.77	115.02	30
31	56.86	64.14	67.92	71.80	75.76	79.80	81.85	83.92	86.01	88.11	90.24	92.37	94.53	96.69	98.87	101.06	103.27	105.50	107.73	109.98	112.24	114.51	31
32	55.95	63.29	67.10	71.01	75.00	79.08	81.15	83.23	85.33	87.46	89.61	91.75	93.93	96.10	98.29	100.51	102.73	104.97	107.22	109.48	111.76	114.04	32
33	55.11	62.50	66.34	70.28	74.30	78.41	80.50	82.60	84.72	86.86	89.02	91.18	93.38	95.57	97.78	100.00	102.25	104.50	106.77	109.04	111.33	113.63	33
34	54.32	61.76	65.63	69.60	73.66	77.80	79.90	82.02	84.16	86.31	88.49	90.66	92.87	95.08	97.31	99.55	101.81	104.07	106.35	108.64	110.95	113.26	34
35	53.58	61.08	64.98	68.98	73.07	77.24	79.35	81.49	83.64	85.81	88.00	90.19	92.42	94.64	96.88	99.14	101.41	103.69	105.98	108.29	110.60	112.93	35

MORTGAGE COSTS

A	B	C	D	E	F	G	H	I
COST OF HOME	DOWN PAYMENT 10% 20%	AMOUNT OF MORTGAGE (Col. A minus Col. B)	INTEREST RATE 10% 10.5%	LENGTH OF LOAN 29 years 30 years	COST PER YEAR (amt. on Amort. chart times Col. C in 1000's)	COST PER MONTH (col. F divided by 12)	TOTAL COST (amt. on Col. E times amt. Col. F)	AMOUNT OF INTEREST (Col. H minus Col. C)
Example: $43,000	20% $8,600	$43,000 - 8,600 = 34,400	10%	29 years	$34.40 (34,400 divided by 1000) X 106.73 = $3671.51	($3,671.50 divided by 12) $305.96	$3671.50 times 29= $106,473.79	$106,473.79 - 34,400.00 = $ 72,073.79
	10%		10%	29 years				
	10%		10.5%	30 years				
	20%		10.5	30 years				

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CONCEPT: CREDIT

NAME OF ACTIVITY: SHOPPING FOR CREDIT

OVERVIEW OF ACTIVITY: (generalization)

The cost of credit varies from one lending agency to another; therefore, shopping for credit can save you money.

TYPE OF ACTIVITY: COMMUNITY SURVEY

Grade Level (s): 11-12 Length of Time: 1 week

MATERIALS:

For Students:

Dittoed sheet, "Helps for Comparing the Cost of Credit"

For Teachers:

Reference (s):

STUDENT PERFORMANCE INDICATOR (s):

The student will:

1. Discover that shopping for credit can save them money.
2. Compare the cost of credit at two different lending institutions.

PLAN FOR IMPLEMENTATION:

1. Divide the class into pairs.
2. Have each pair of students choose one item to "buy" e.g., car, motorcycle, stereo, waterbed, snowmobile, etc. Establish a price minimum.
3. Have students "shop for" the specific item they would like to buy.
4. Arrange for students to apply for credit at two different lending institutions (store, bank, credit union, loan company, etc.)
5. Report findings to class using information from handout, "Helps For Comparing the Cost of Credit" as method of reporting.

EVALUATION:

Student comparison of the cost of credit as a result of their survey.

(Source: Joan Klein, South Fremont High, St. Anthony, ID)

HELPS FOR COMPARING THE COST OF CREDIT

1. How much down payment is required?

2. What is the annual interest rate?

3. How much are the monthly payments?

4. What is the total cost of the item?

5. Is a co-signer required? What colateral is required to secure the loan?

6. What type of questions were asked by the lending institution?

7. What problems do young people face in obtaining credit?

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